B. Gender gaps in entrepreneurship

According to the ISCO-88 classification, the occupational category of "Legislators, senior officials and managers" also includes owners of both large and small enterprises. Although, globally, women own over one third of all formal businesses, they tend to be concentrated in micro and small enterprises that are typically in sectors and saturated markets with little or no growth potential (ILO, 2015g). In addition to systemic barriers common to all entrepreneurs (such as access to inputs), women entrepreneurs usually face additional barriers, including discriminatory legal systems, namely, inheritance laws, property law and customary laws, and social attitudes and norms that prevent them from starting new businesses or consolidating or expanding existing ones, and moving outside the informal economy. As a result, the potential of women entrepreneurs is highly underdeveloped. The ILO estimates that 50 per cent of women's productive potential is underused, compared to 22 per cent of men's (ILO, 2014e). In a study of 83 economies, the gender gap as the ratio in women and men's total early-stage entrepreneurship activity is about 7 to 10.[31] That said, however, between 2012 and 2015 at the global scale the gender gap decreased by 6 per cent (Global Entrepreneurship Monitor, 2015). In the G20 countries, the gender gap in the incidence of entrepreneurs ranges from 1.1 percentage points in Australia to 5.3 percentage points in Turkey (ILO et al., 2014).[32]

Discriminatory legal provisions affect women's entrepreneurship. According to a World Bank study (2015a) covering 173 economies, 155 economies have at least one barrier for women, such as travelling outside the home, signing a contract, having ownership rights over property, opening a bank account, or registering a business. National laws may also prevent women from formally registering their enterprises and obtaining licenses and permits. Customary laws that require men's signatures in order to register women's enterprises make it more difficult for women to formalize their enterprises. In addition, lengthy and bureaucratic formalization processes requiring more time commitment may lead to work-family conflicts in societies where the large share of the care burden falls on women. In other cases, legal restrictions that limit women's mobility, including travel, may prevent them from acquiring all the necessary documents to register their businesses (ADB, 2014).

Because of the procedures required to formalize their businesses, many women entrepreneurs, especially of microenterprises, remain in the informal economy. In Uganda and the United Republic of Tanzania, women entrepreneurs reported the high cost of registering and paying taxes as major barriers to registration. In addition, pressure from family members such as husbands and in-laws has dissuaded women from formalizing their businesses. Other factors compelling them to remain informal include the risk of harassment and coercion by corrupt officials when registering their businesses, time constraints and lack of access to information about their rights and regulations (ILO, 2015h).[33]

Difference between women and men in access to inputs affects the scale of production, investment and growth in an enterprise. Female-headed households are less likely than male-headed households to have access to credit and to land ownership (World Bank, 2011a). In addition, according to the FAO Gender and Land Rights Database, in 103 out of 104 countries and territories with available data, women are less likely than men to be agricultural holders.[34] In 27 countries, including Bangladesh, Burkina Faso, Denmark, Fiji, the Gambia and Netherlands, women make up fewer than 10 per cent of agricultural holders (FAO, 2016). Similarly, women own a smaller proportion of land than men. In the Niger and Nigeria, men are the exclusive owners of 62 and 87 per cent of land, respectively (Doss et al., 2015, cited in De la Campos et al., 2015).[35] In Bangladesh and Tajikistan, the shares of land exclusively owned by men are 88 and 86 per cent, respectively (Kieran et al., 2015, cited in De la Campos et al., 2015).

Financial services are crucial for the livelihoods of women with low-income, self-employed women and women entrepreneurs in the medium range – in other words, too big to gain access to microfinance yet with insufficient collateral for banks. Across the world, however, women have only 77 per cent of men's access

31. The total early-stage entrepreneurship activity measures the percentage of persons (ages 18–64) who are in the process of starting up their business or have recently started one. This includes those who have yet to pay wages for more than three months (nascent stage), and also new entrepreneurs who have paid salaries for more than three months but no more than 42 months (Global Entrepreneurship Monitor, 2015).

32. Data on Canada, Republic of Korea and South Africa are from 2011 and data for Brazil from 2009.

33. See David et al. (2012) on the risk of harassment by officials for women entrepreneurs. See Mori (2014) and Mugabi (2014) for findings on Uganda and the United Republic of Tanzania.

34. An "agricultural holder" is defined as a person who makes the major decisions in using resources and manages the agricultural holding operations (De la Campos et al. 2015; FAO, 2010). Data are from the latest year available between 1991 and 2012. The data are compiled using data from four countries in Central and Western Asia, seven countries in Eastern Europe, 26 countries in Northern, Southern and Western Europe, 19 countries in Latin America and the Caribbean, two countries in the Arab States, two countries in Northern America, five in Northern Africa, five countries in Southern Asia, 11 countries in South-Eastern Asia and the Pacific, 20 countries in Sub-Saharan Africa, and data from American Samoa, Northern Marianas and Puerto Rico.

35. Ownership does not imply legal ownership. Ownership is self-identified.